White Paper: Interstate Medical Licensure Compact and Oregon

Background

In order to provide patient care, a physician must have a license in the state where that patient is located, even if the physician already has an active license in another state. In response to this longstanding requirement, the Interstate Medical Licensure Compact (the Compact) was established in April 2015 to streamline the medical licensure process for Medical Doctors (MDs) and Doctors of Osteopathic Medicine (DOs) who wish to practice in multiple states. As of 2022, 37 states participate in the Compact, plus the District of Columbia and the Territory of Guam. Notably, California, Florida, and New York do not participate in the Compact. Oregon also is not a member.¹

How the Compact Works

For a state to join the Compact, the state's legislature must first enact legislation to incorporate the Compact statutes into state law. Once the legislation is implemented, physicians in that state may begin the process of applying for licensure in other states via the Compact. The Compact does <u>not</u> create a nationally recognized medical license or automatically authorize physicians to practice medicine across state lines in other Compact states.²

Compact laws supersede state laws.³ Therefore, state laws that conflict with the Compact laws may be unenforceable. If a state wishes to withdraw from the Compact, it would need to go through the legislative process to repeal the state's Compact legislation.⁴

Obtaining State Licensure via the Compact

To be eligible, a physician must:

- Have graduated from an accredited medical school, or a school listed in the International Medical Education Directory;
- Have successfully completed an accredited graduate medical education (GME) program;
- Have passed each component of the USMLE, COMLEX-USA, or equivalent in no more than three attempts for each component; and
- Hold a current specialty certification or time-unlimited certification by an American Board of Medical Specialties (ABMS) or American Osteopathic Association Bureau of Osteopathic Specialists (AOABOS).

¹ Compact State Map | Interstate Medical Licensure Compact (Accessed August 11, 2022)

² The Interstate Medical Licensure Compact is unlike the Nurse License Compact, which *does* grant a "multi-state license" thereby allowing a nurse to practice in multiple states without obtaining individual state licenses.

³ Questions about the constitutionality (under the Oregon State Constitution) of the Compact have been raised and require further review by the Office of Legislative Counsel and the Oregon Department of Justice.

⁴ Policies & Laws | Interstate Medical Licensure Compact (imlcc.org)) (Accessed August 17, 2022)

Additionally, to be eligible for the Compact the physician must:

- Not have any history of disciplinary actions toward their medical license;
- Not have any criminal history;
- Not have any history of disciplinary action against their controlled substance license; and
- Not be under a current investigation.

Approximately 80% of actively licensed physicians in the U.S. currently qualify to join the Compact.

To apply, a physician must first designate a state as their State of Principal Licensure (SPL). An SPL is a Compact member state where the physician holds a full and unrestricted medical license and is considered a physician's "home state" for purposes of registration and participation in the Compact. In order to designate a state as an SPL, at least one of the following qualifications apply:

- The physician's primary residence is in the SPL;
- At least 25% of the physician's practice of medicine occurs in the SPL;
- The physician is employed to practice medicine in the SPL; or
- The physician uses the SPL as his or her state of residence for Federal tax purposes.⁵

A physician applicant pays a \$700 non-refundable application fee to the IMLCC.⁶ If the physician applicant meets the qualifications above, the State of Principal Licensure issues a Letter of Qualification (LOQ).⁷ The LOQ is valid for one year from its date of issuance; after a year, a physician must pay \$700 for a new LOQ to apply for licensure in any additional Compact state(s).

The LOQ enables the physician to apply for individual state licenses through the Compact by selecting the desired states and paying each state's licensure fee. Compact States are required to automatically grant licensure and may not re-verify the physician's qualifications or competency to practice medicine. After licensure is granted, the state may ask the physician for additional, ancillary information to fulfill state laws (e.g. documenting legal authorization to work in the U.S.), which may allow the Oregon Medical Board to request the physician's Oregon practice address. However, the Board would not be able to ask its personal history questions related to training, employment, competency, malpractice claims, impairment concerns, etc. The Oregon Medical Board relies on such questions to screen applicants who do not qualify or who may require additional support to safely practice in Oregon.

⁵ A number of requirements apply after this as well, which can be found <u>here.</u> (Accessed August 17, 2022).

⁶ Of that \$700, \$300 goes to the State of Principal Licensure and \$400 goes to the IMLCC. More information can be found here.

⁷ An example LOQ can be found here.

⁸ What does it Cost | Interstate Medical Licensure Compact (imlcc.org) (Accessed November 29, 2022).

⁹ However, between 2018-2022, nearly 70% of physicians in the Compact obtained only one to two extra licenses, 20% obtaining three to seven licenses, and less than 10% receiving more than seven licenses. Source: MLCCC 5
Year Data

¹⁰ Physician Information | Interstate Medical Licensure Compact (imlcc.org) (Accessed August 17, 2022)

¹¹ ORS 677.172(3) requires an Oregon practice address to hold an Active status medical license.

¹² License renewal is similar to initial license issuance; a physician applies to renew a state license through the IMLCC, paying the IMLCC a \$25 fee for each state in addition to the state's license renewal fee. Again, the state's personal history questions are not asked at the time of renewal. <u>License Renewal | Interstate Medical Licensure Compact (imlcc.org)</u> (Accessed August 17, 2022)

Interstate Medical Licensure Compact Commission

The Compact is an agreement between states, with the Interstate Medical Licensure Compact Commission (IMLCC) serving as the independent organization that coordinates and administers the Compact on the states' behalf. The IMLCC is made up of two representatives from each participating state. The IMLCC is not a government agency with public records and transparency laws. Rulemaking through the IMLCC is not required to follow state rulemaking regulations.

Information Sharing and Confidentiality of Investigations

The Compact requires broad information sharing among member states.¹³ As a result, there is uncertainty about how confidential investigatory information from one state may be used by another state for disciplinary action.

Effect of Disciplinary Actions

Any disciplinary action taken by a member board against a Compact physician may result in further discipline by the other member boards. ¹⁴ If a Compact physician's license is revoked, surrendered in lieu of discipline, or suspended by the physician's SPL, then all licenses issued to the physician by member boards must be automatically placed on the same status. If a license granted by a non-SPL member board is revoked, surrendered in lieu of discipline, or suspended, then every other Compact state where the physician holds licensure must be suspended automatically for 90 days, after which each state may impose their own disciplinary actions, if any. ¹⁵ These reciprocal actions are automatic; member states have no discretion, even if the underlying violation is for acts that would be legal in the other states.

While the IMLCC aims to protect each Compact state's right to regulate the practice of medicine in their state, the recent Supreme Court decision, *Dobbs v. Jackson Women's Health Organization*, 597 U.S. ___ (2022), raises concerns about differences in states' Medical Practice Acts. ¹⁶ A physician with multiple state licenses through the Compact may be at increased risk for license discipline.

To address concerns around the recent Supreme Court decision, on November 8, 2022, the ILMCC adopted rule amendments to allow a member board to immediately terminate, reverse, or rescind certain automatic disciplinary actions.¹⁷ It is unknown whether these rules, which purport to modify Compact statutes, will be deemed valid.

Patient Safety in Oregon

Under current Compact rules, states may not independently review Compact physicians' qualifications to practice medicine prior to issuing a license.¹⁸ This means a physician could obtain a state license without the board being aware of information such as enrollment in a health professionals' program or a substantial lapse in clinical practice. This may also mean that a state is required to license a physician

¹³ Sections 8(e)-(f) and 9(d) of Compact Law. In Oregon, any confidential investigatory information shared with other states is protected under ORS 676.175 to 676.177.

¹⁴ Section 10(a), 10(c)(1), and 10(c)(2) of Compact Law

¹⁵ Section 10(d) of Compact Law

¹⁶ The IMLC recently addressed the impact of the recent Supreme Court decision in this informational release.

¹⁷ Chapter 6.6 of IMLCC Rules

¹⁸As cross-state telemedicine waivers expire, virtual care advocates focus on long-term policy changes | Healthcare <u>Dive</u>

who otherwise would not have been granted licensure in that state, such as a physician with a pattern of sexual misconduct-related employment issues, or a physician new to practice who had a pattern of professionalism and medical knowledge concerns that resulted in termination of their residency program, or a physician with a pattern of concerning malpractice claims.

To better understand the likelihood of this possibility, the Oregon Medical Board reviewed licensing decisions from the last five years and identified 19 applicants who were Compact eligible but were flagged for derogatory application information. Of these 19 applicants who would have automatically received licensure if Oregon were in the Compact, only three were granted an unrestricted license. Twelve of the applicants withdrew their application or allowed their application to expire, and four were granted a license with conditions (contingent on enrollment in HPSP or subject to a re-entry plan).

Expanding Access to Care for Oregonians

The Board is focused on streamlining the medical license application process for physicians and increasing the ability for physicians to provide care to Oregonians via telemedicine.

Expedited Endorsement. The Oregon Medical Board already has a streamlined licensing process through expedited endorsement, which allows qualified applicants who are currently licensed in another state to forego primary source verification of core credentials. Expedited endorsement simplifies the process for licensure and increases access to healthcare, particularly for Oregonians in rural and underserved areas, without the additional fees and requirements related to Compact licensure.¹⁹

Telemedicine. The use of Telemedicine has grown substantially during the COVID-19 pandemic. Oregon law allows out-of-state physicians to provide care in Oregon via telemedicine without obtaining an Oregon license when the patient is temporarily located in Oregon and has an existing provider-patient relationship with the out-of-state physician.²⁰ Further, the Oregon Medical Board's Statement of Philosophy recognizes that a physician can provide temporary or intermittent follow-up care for a person located in Oregon if they have an established provider-patient relationship.²¹

Conclusion

The decision for both physicians and states to participate in the Compact is complex. The Compact aims to simplify multi-state licensure; however, licensure via the Compact is more expensive and carries increased risk for disciplinary action against a physician while at the same time eroding the patient safety standards in place for a medical license in Oregon. While issues of constitutionality and conflicts between Compact legislation and state laws continue to be discussed, the Oregon Medical Board is focused on streamlining the application process, supporting the expansion of telemedicine, and engaging in meaningful conversations with other state medical boards to ease the regulatory burdens of multi-licensure on qualified and competent physicians.²²

¹⁹ More information about the expedited endorsement process can be found here.

²⁰ ORS 677.060 or ORS 677.137

²¹ The OMB's Statement of Philosophy on Telemedicine can be found here.

²² While this White Paper focuses on the Interstate Medical Licensure Compact for physicians (MD and DO), the Oregon Medical Board applies these same efforts for all medical providers licensed by the Board, including podiatric physicians, physician assistants, and acupuncturists in addition to MD and DO physicians.